
US EXECUTIVE APPROVAL FORM**CUSTOMER NAME: Ben E. Keith****SECTION I - Approval Requests:**

We are asking for both options below to be approved since we are attempting to steer the prospect towards the e-biz suite licensing.

HQAPP Requests:**Option #1 – Financials (Component)**

1. 95% discount on iReceivables
2. Price hold on iReceivables at 95% for 5 years

Option #2 – E-Biz Suite

1. 56% discount on the e-biz suite Professional User, External Non Employee User, and Tutor
2. Initial purchase reduction of Professional User minimum to 5.7% of employee population. Customer is well over Employee minimums.

TIER 1 Requests**Option #1 – Financials (Component)**

1. 70% discount on the following:
 - Enterprise Edition Database, Diagnostics, Tuning Pack, Change Mgt. Pack, App Server, Partitioning, IDS, Enterprise Integration Gateway
 - Incentive Compensation, Financials, Tutor
2. 2 year price hold at 70% on the products on order plus:
 - Datawarehousing/Business Intelligence
 - Procurement, Sales, Marketing, Supply Chain, Warehouse Mgt, and Order Mgt./Logistics,

Option #2 – E-Biz Suite

1. 70% discount on the following:
 - Enterprise Edition Database, App Server, Express Server, Diagnostics, Tuning Pack, Change Mgt. Pack, Partitioning, IDS, Enterprise Integration Gateway
2. 2 year price hold at 70% for products on order.
3. 2 year 30% price hold on Professional User, External Non Employee User, External Orders e-biz Suite add on, Supply Chain e-biz Suite add on, and Tutor (ebiz discount band is already 25%)

TIER 2/3 Requests:

1.N/A

Previously approved requests (include date of approval):

1. None
- 2.



SECTION II – Deal Summary:

Deal Summary		
Programs	Option #1 – Financials Enterprise Edition Database, Application Server, Diagnostics, Tuning Pack, Change Mg.t Pack, Partitioning, IDS, Enterprise Integration Gateway, Incentive Compensation, Financials, iReceivables, Tutor Option #2 – E-Biz Suite Enterprise Edition Database, Application Server, Express Server, Diagnostics, Tuning Pack, Change Mg.t Pack, Partitioning, IDS, Enterprise Integration Gateway, E-Biz Suite Profession Users, Employee Users, External Non-Employee users, and Tutor	
License Discount	Option #1 – Financials <ul style="list-style-type: none"> Apps and Tech - 70% (ebiz 25% + 45%) 95% for iReceivables at (ebiz 25% + 70%) 	Option #2 – e-Biz Suite <ul style="list-style-type: none"> Applications - 56% (ebiz 25% + 31%) Tech – 70% (ebiz 25% + 45%)
Support Discount	Option #1 – Financials <ul style="list-style-type: none"> 70% for App and Tech 95% for iReceivables Only 	Option #2 – e-Biz Suite <ul style="list-style-type: none"> 56% - Apps 70% - Tech
Comp & Admin Discount	N/A	
Phased Implementation for Comp & Admin?	N/A	
Support Holds		
Price Holds	Option #1 – Financials <ul style="list-style-type: none"> 70% for 2 years for Apps and Tech 95% for 5 years for iReceivables Only 	Option #2 – e-Biz Suite <ul style="list-style-type: none"> 30% for 2 years – Apps (programs listed out above) 70% for 2 years - Tech
List License	3,850,450	1,524,250
List Support	847,099	335,335
List Comp & Admin	N/A	
Net License	505,135	590,712.50
Net Support	111,129.70	129,956.75
Net Comp & Admin	N/A	
Net Total Price	616,264.70	720,699.25
Price List Used	E-biz Globl Price List October 4., 2002	

Customer History - Existing Price Holds	
Existing contractual discount (price hold)	N/A
Date of Price List for price hold	N/A
When does price hold expire?	N/A
Price hold program categories (database, server, erp, crm, hr/payroll, app suite)	N/A
Name of Agreement if applicable	N/A

SECTION III - Justification:**Justification:**

Ben E Keith is one of the largest and most influential beverage (incl Budweiser) and food distribution companies in the region. They will be coming off of their mainframe environment gradually over the next few years and there is significant additional application and tech license revenue potential for Oracle if Oracle can secure this initial transaction and lay the strategic technology foundation – estimated in excess of \$4+ million net license.

Option #1 Financials

Regarding the 95% discount for iRecievables - their industry, wholesale grocery/beer distribution, is a high order volume low margin business (in excess of 52 million A/R lines) and the iRecievables metric is not reflective of the value of this option for their industry. The prospect plans to add additional value based modules such as supply chain, sales, marketing, etc. after they have had success laying the financials foundation. Worst case 95% discount of iReceivables for 5 years and 70% discount on Financials, Incentive Comp, Tutor for 2 years.

This price hold is requested because Customer sees how we are manipulating our metric with this high discount to accommodate their needs. Their fear is that the results would be catastrophic to them if they are not covered by a price hold—and could not negotiate the same discount 2 years from now.

Option #2 E-Biz Suite

Regarding the e-biz suite discounts and waive of minimums - we are asking for a 56% discount and reduction in the minimums for the intitial purchase of the e-biz suite from 10% to 5.7% for seven key reasons

- (1) Neither the component pricing model for financials with the iRecievables metric nor the e-business suite model fit their business environment,
- (2) Ben E Keith is growing rapidly 20%+ annually and will be adding significant users and modules over the next few years which should bring them into compliance with the minimums within an acceptable period of time (they are currently well over the mins for employee users),
- (3) this is a PeopleSoft HR (8.3) and MicroSoft NT/SQL install account we are attempting to gain foothold within and eventually replace,
- (4) the e-biz suite will protect us from future poaching attempts from both PeopleSoft and MicroSoft,
- (5) Ben E Keith is nervous about the steep discounts needed on the Financials component pricing (especially iReceivables) and the subsequent uncertainty of what pricing will look like at the component level 3 years from now – they view the e-biz suite as easier and much more predictable and therefore less risky,
- (6) PeopleSoft's Enterprise licensing model appears to be attractive, predictable, and easy to administer and we need to counteract with a licensing model that is easier to understand, predict, and administer,
- (7) the e-biz suite pricing option will give the VP of Finance additional strategic ammunition in promoting Oracle to the board. The initial project scope is for Financials only and we are attempting to expand the scope with the e-biz suite. The Suite message has resonated with certain business leaders within Ben E Keith's but will not get promoted to the board level unless we can get the overall price within 50K - 60K of the Financials component pricing.

The Oracle sales account team was assigned the account after an RFP was already underway. We are subsequently in a highly competitive situation against PeopleSoft who has positioned their Financials Enterprise license at significant discounts. We are also in a highly competitive situation against PeopleSoft's proposed platform MicroSoft NT/SQL which has also been heavily discounted. The scope is Financials only at this point and at a minimum we need a 70% discount on the Financials Suite (95% on iRecievables) in order to remain comparatively price competitive, win this segment of business, and be positioned to strategically expand our footprint going forward. Ideally we want to leverage a 56% discount and waiving of the minimums for the e-biz suite in order to strategically expand our footprint upfront and prevent our competitors from nipping away at any future business.

Recommendation: *(leave blank for HQAPP to fill out)*

Submitted By: Traci Glass/ Ted Bereswill

Traci Glass – ASM

Dave Hessie - TSM

Wade Nicolas – RM

David Young – RM

Field RM name if submitted by iSD:

R: *(leave blank for HQAPP to fill out)*

C:

L:

A:

BP:

PLEASE NOTE THAT HQAPP WILL NOT REVIEW ANYTHING BELOW AND NOTHING BELOW WAS CONSIDERED FOR THEIR APPROVAL. ONLY DETAILS IN THE REQUEST SECTION (SECTION I) ABOVE WERE CONSIDERED IN THE APPROVAL GRANTED.

SECTION V – Ordering Document Details**Instructions - Fill in all sections completely.****APPROVAL REQUIREMENTS** - Refer to the Approval Matrix at <http://esource.oraclecorp.com>**PRICING REQUIREMENTS** – Refer to Price List and Price List Supplement for minimums and prerequisites.**PRICING SPREADSHEET** – Include a pricing spreadsheet showing all products, quantities, license types, pricing, and discounts. Indicate if discount for drafting contract differs from approved discount.**MIGRATIONS** - If your deal contains a migration, you must submit a Migration Worksheet to the ELM (eBusiness License Migrations) team. Refer to <http://nafo.us.oracle.com> under the Contract Management tab and e-Business License Migrations header to download the spreadsheet and for additional information.**Note: All business approvals & quotes are valid through the quarter they were approved, unless a formal RFP or Tender requires a longer validity period.**

General Information	
Contract requested by Nov. 13, 2002: After all approvals are obtained - Allow 24 hours for standard contracts and 48 hours for non-standard contracts.	Nov. 15, 2002
Opportunity I.D. (OSO Number):	713251
Deal Structure (indicate Direct, Pass-Through, Sublicense, or Trial License):	Direct
Is this deal the result of a compliance issue that LMS has been involved in?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does deal contain new licenses with an <i>approved</i> non-supported license type (i.e. metric is not nor ever has been on Oracle's price list):	<input type="checkbox"/> Yes (specify non-supported license type and eBusiness license type used to determine conversion) <input checked="" type="checkbox"/> No
Quote Valid Through (insert date):	Nov. 27, 2002
Partner? ASP Local	% of net license fees 10%
VAD (insert name, if applicable)?	Margin or % of net license fees _____
PARTNER PAYMENT: If this is a direct deal, does it involve a Partner Referral Fee?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, specify payment type:	<input checked="" type="checkbox"/> Applications Affiliate Fee ROP Fee (GB Use Only)
MIGRATIONS OR UPDATES:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
PREMIUM SERVICES:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
INCIDENT PACKS:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
INTERNATIONAL: Requires an International Notification Form to be forwarded to your manager, contract specialist, and NASINFO or OGEHINFO.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Payment Terms:	<input type="checkbox"/> Net 30 <input checked="" type="checkbox"/> Other (Specify) COD – Customer will pay by money order or check on date contract is signed
Referenced Agreement:	<input checked="" type="checkbox"/> New OLSA Other (Specify)

Customer and Administrative Information – all fields must be filled in	
Customer's EXACT Legal Name:	Ben E. Keith Company
Business Address:	601 East 7th St.
City / State / Zip:	Ft. Worth, TX 76102
Customer Contract Admin:	Gordon Crow
Phone #:	817-877-5700 x 223
Fax #:	817-338-1701
E-mail ID:	gacrow@bekco.com
Billing Contact:	Gordon Crow
(Partner/VAD if Indirect):	
Address:	
City / State / Zip:	
Phone #:	
Fax #:	
E-mail ID:	
Tax Status :	Exempt ____ (Need certificate for ship to state if not on Oracle's Tax Exemption Log)
	Non-Exempt <u>X</u>
Shipping Contact:	Jo Fowler
Address:	601 East 7th St.
City / State / Zip:	Ft. Worth, TX 76102
Phone #:	817-877-5700
Fax #:	817-338-1701
E-mail ID:	mjfowler@bekco.com
Technical Support Contact:	Jo Fowler
Address:	601 East 7th St.
City / State / Zip:	Ft. Worth, TX 76102
Phone #:	817-877-5700
Fax #:	817-338-1701
Email ID:	mjfowler@bekco.com
Partner Name (Indirect):	
Address:	
City / State / Zip:	
Contact Admin:	
Phone #:	
Fax #:	
E-mail ID:	

Education (EPPC)	
Education Prepaid Credit Amount:	\$ _____
Education Discount:	_____ %
Education Revenue:	\$ _____
Education Sales Rep:	Chris Macorie

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PROCESSOR/NAMED USER PROGRAMS/COMPUTER PROGRAMS (REQUIRED INFORMATION)

Make and Operating System required for each program:

Make: Sun

OS: Unix Solaris

PROGRAMS:

Option #1 – Financials

Enterprise DB, 9iAS, Diagnostics, Tuning, Change Mgt, Partitioning, IDS, Enterprise Gateway, Incentive Compensation, Financials, iRecievables, Tutor

Option #2 – e-Biz Suite

Enterprise DB, 9iAS, Express Server, Diagnostics, Tuning, Change Mgt, Partitioning, IDS, Enterprise Gateway, e-Biz Professional User, Employee User, External Non-employee user, Tutor

Applications			
Will applications be modified:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
Will users be accessing modified Apps from the web:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
Have all prerequisites been included:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
Will users use Fast Forward RPM:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
Will applications be hosted:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
Indicate database that Apps will run on:	Oracle 9i		
Indicate CSI for existing prerequisite database and tools:			

Options not requiring HQAPP, Tier 1, or Tier 2 Approval	
(1)	
(2)	
(3)	

Internal Administrative Information	
Applications Sales Manager	Traci Glass
Technology Sales Manager	Dave Hessie
Account Manager	Steve Brittian
iSD Rep	Jerry Eng
Education Sales Rep	Chris Macorie
Support Renewals Rep	
Premium Support Rep	
Migrations Manager	
Is there a teaming agreement?	<input type="checkbox"/> Yes (if yes, list all appropriate reps) <input checked="" type="checkbox"/> No
Requester:	Name: <u>Traci Glass</u> Business Telephone: <u>(972) 409-3920</u>

	Cell Phone: (214) 697-1388
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